

TOWNSHIP OF MAPLE GROVE
SAGINAW COUNTY

FINANCIAL STATEMENTS

MARCH 31, 2006

Auditing Procedures Report

Issued under P.A. 2 of 1968, as amended and P.A. 71 of 1919, as amended.

Local Unit of Government Type <input type="checkbox"/> County <input type="checkbox"/> City <input checked="" type="checkbox"/> Twp <input type="checkbox"/> Village <input type="checkbox"/> Other		Local Unit Name TOWNSHIP OF MAPLE GROVE	County SAGINAW
Fiscal Year End 03/31/06	Opinion Date 06/01/06	Date Audit Report Submitted to State	

We affirm that:

We are certified public accountants licensed to practice in Michigan.

We further affirm the following material, "no" responses have been disclosed in the financial statements, including the notes, or in the Management Letter (report of comments and recommendations).

- YES NO Check each applicable box below. (See instructions for further detail.)
- ☒ ☐ All required component units/funds/agencies of the local unit are included in the financial statements and/or disclosed in the reporting entity notes to the financial statements as necessary.
 - ☒ ☐ There are no accumulated deficits in one or more of this unit's unreserved fund balances/unrestricted net assets (P.A. 275 of 1980) or the local unit has not exceeded its budget for expenditures.
 - ☒ ☐ The local unit is in compliance with the Uniform Chart of Accounts issued by the Department of Treasury.
 - ☒ ☐ The local unit has adopted a budget for all required funds.
 - ☒ ☐ A public hearing on the budget was held in accordance with State statute.
 - ☒ ☐ The local unit has not violated the Municipal Finance Act, an order issued under the Emergency Municipal Loan Act, or other guidance as issued by the Local Audit and Finance Division.
 - ☒ ☐ The local unit has not been delinquent in distributing tax revenues that were collected for another taxing unit.
 - ☒ ☐ The local unit only holds deposits/investments that comply with statutory requirements.
 - ☐ ☒ The local unit has no illegal or unauthorized expenditures that came to our attention as defined in the *Bulletin for Audits of Local Units of Government in Michigan*, as revised (see Appendix H of Bulletin).
 - ☒ ☐ There are no indications of defalcation, fraud or embezzlement, which came to our attention during the course of our audit that have not been previously communicated to the Local Audit and Finance Division (LAFD). If there is such activity that has not been communicated, please submit a separate report under separate cover.
 - ☒ ☐ The local unit is free of repeated comments from previous years.
 - ☐ ☒ The audit opinion is UNQUALIFIED.
 - ☐ ☒ The local unit has complied with GASB 34 or GASB 34 as modified by MCGAA Statement #7 and other generally accepted accounting principles (GAAP).
 - ☒ ☐ The board or council approves all invoices prior to payment as required by charter or statute.
 - ☐ ☒ To our knowledge, bank reconciliations that were reviewed were performed timely.

If a local unit of government (authorities and commissions included) is operating within the boundaries of the audited entity and is not included in this or any other audit report, nor do they obtain a stand-alone audit, please enclose the name(s), address(es), and a description(s) of the authority and/or commission.

I, the undersigned, certify that this statement is complete and accurate in all respects.

We have enclosed the following:	Enclosed	Not Required (enter a brief justification)		
Financial Statements	<input checked="" type="checkbox"/>			
The letter of Comments and Recommendations	<input checked="" type="checkbox"/>			
Other (Describe)	<input type="checkbox"/>			
Certified Public Accountant (Firm Name) DEMIS & WENZLICK, P.C.		Telephone Number 989-723-8227		
Street Address 217 N WASHINGTON, SUITE 201		City OWOSSO	State MI	Zip 48867
Authorizing CPA Signature <i>Gail Winnick, CPA</i>		Printed Name GAIL WINNICK		License Number

TABLE OF CONTENTS

INDEPENDENT AUDITOR'S REPORT	1 - 2
AUDITED FINANCIAL STATEMENTS	
Combined Balance Sheet - All Fund Types and Account Groups	3
Combined Statement of Revenues, Expenditures and Changes in Fund Balances	4
Combined Statement of Revenues, Expenditures and Changes in Fund Balances (GAAP Basis) and Actual	5 - 6
Combined Statement of Changes in Assets and Liabilities	7
Notes to Financial Statements	8 - 14
FINANCIAL STATEMENTS OF INDIVIDUAL FUNDS	
General Fund	
Comparative Balance Sheet	15
Comparative Statement of Revenues, Expenditures and Changes in Fund Balance	16 - 20
Fiduciary Fund	
Current Tax Collection Fund	
Comparative Balance Sheet	21
Comparative Statement of Cash Receipts and Disbursements	22
General Fixed Asset Account Group	
Schedule of Changes in General Fixed Assets	23



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INDEPENDENT AUDITOR'S REPORT

Members of the Township Board
Township of Maple Grove
Saginaw County, Michigan

We have audited the accompanying general-purpose financial statements of the Township of Maple Grove, Michigan as of and for the year ended March 31, 2006. These financial statements are the responsibility of the Township of Maple Grove management. Our responsibility is to express an opinion on these general-purpose financial statements based on our audit.

We have conducted our audit in accordance with generally accepted auditing standards in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the general-purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general-purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

Management has not presented government-wide financial statements to display the financial position and changes in financial position of its governmental activities and business-type activities as required by the Governmental Accounting Standards Board (GASB 34). Accounting principles generally accepted in the United States of America require the presentation of government-wide financial statements. GASB 34 requires management's discussion and analysis which also has not been prepared.

In our opinion, except for the effects of non-application of GASB 34 as described in the previous paragraph, the general-purpose financial statements referred to above present fairly, in all material respects, the financial position of the Township of Maple Grove, as of March 31, 2006, in conformity with generally accepted accounting principles in the United States of America.

Our audit was made for the purpose of forming an opinion on the combined financial statements taken as a whole and on the combining and individual fund financial statements. The accompanying financial information has been subjected to the auditing procedures applied in the examination of the combined, combining, and individual fund financial statements and, in our opinion, is fairly stated in all material respects in relation to the combined financial statements taken as a whole.

Our report of comments and recommendations dated June 1, 2006, has been submitted under separate cover.

Dennis and Lengfest, PC

Certified Public Accountants

Owosso, Michigan
June 1, 2006

TOWNSHIP OF MAPLE GROVE
COMBINED BALANCE SHEET
ALL FUND TYPES AND ACCOUNT GROUPS
MARCH 31, 2006

	<u>GENERAL</u>	<u>FIDUCIARY FUND TYPE TRUST & AGENCY</u>	<u>GENERAL FIXED ASSETS</u>
ASSETS:			
Cash in Bank	\$329,846	\$ 3,653	\$
Cash Equivalent	73,870		
Accounts Receivable	2,240		
Accounts Receivable - State	34,068		
Taxes Receivable	17,801		
Interest Receivable	3,051		
Due from Other Funds	3,653		
Fixed Assets			<u>830,110</u>
TOTAL ASSETS	<u>\$464,529</u>	<u>\$ 3,653</u>	<u>\$830,110</u>
LIABILITIES:			
Accounts Payable	\$ 19,111	\$	\$
Payroll Taxes Due	1,837		
Due to Other Funds		<u>3,653</u>	
TOTAL LIABILITIES	<u>\$ 20,948</u>	<u>\$ 3,653</u>	
FUND EQUITY:			
Investment in General Fixed Assets	\$	\$	\$830,110
Fund Balance	<u>443,581</u>	<u>-0-</u>	
TOTAL FUND EQUITY	<u>\$443,581</u>	<u>\$ -0-</u>	<u>\$830,110</u>
TOTAL LIABILITIES AND FUND EQUITY	<u>\$464,529</u>	<u>\$ 3,653</u>	<u>\$830,110</u>

The accompanying notes are an integral
part of the financial statements.

TOWNSHIP OF MAPLE GROVE
 COMBINED STATEMENT OF REVENUES, EXPENDITURES
 ALL CHANGES IN FUND BALANCES
 ALL GOVERNMENTAL FUND TYPES
 YEAR ENDED MARCH 31, 2006

REVENUES:

Property Taxes	\$291,368
Permits	17,800
State Shared Revenues	182,133
Tax Administrative Fees	21,116
Interest Income	4,843
Miscellaneous	<u>30,349</u>
TOTAL REVENUES	\$547,609

EXPENDITURES:

Planning/Zoning	\$ 3,350	
Inspections	16,545	
Trustees	3,400	
Township Board	22,354	
Supervisor	7,922	
Clerk	6,597	
Board of Review	792	
Treasurer	8,900	
Assessor	12,015	
Elections	3,486	
Hall & Grounds	32,661	
Other General Gov't.	159,375	
Cemetery	1,272	
Health & Welfare	7,283	
Roads/Bridges	117,307	
Fire Protection	39,013	
Parks & Recreation	<u>5,346</u>	<u>447,618</u>

EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	\$ 99,991
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OTHER SOURCES (USES) OF FUNDS:

Transfers In	\$ -0-	
Transfers Out	<u>-0-</u>	<u>-0-</u>

EXCESS OF REVENUES OVER (UNDER) EXPENDITURES AND OTHER SOURCES (USES) OF FUNDS	\$ 99,991
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Fund Balance 4-1-05	<u>343,590</u>
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FUND BALANCE AT 3-31-06	<u><u>\$443,581</u></u>
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The accompanying notes are an integral
 part of the financial statements.

TOWNSHIP OF MAPLE GROVE
 COMBINED STATEMENT OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCES BUDGET (GAAP BASIS) AND ACTUAL
 GENERAL FUND TYPE
 YEAR ENDED MARCH 31, 2006

	<u>BUDGET</u>	<u>ACTUAL</u>	ACTUAL (OVER) UNDER <u>BUDGET</u>
REVENUES:			
Property Taxes	\$314,880	\$291,368	\$ 23,512
Permits	27,800	17,800	10,000
State Shared Revenues	175,000	182,133	(7,133)
Tax Admin. Fees	24,800	20,449	4,351
Interest Income	1,000	4,843	(3,843)
Miscellaneous Income	<u>13,520</u>	<u>30,349</u>	<u>(16,829)</u>
TOTAL REVENUES	\$557,000	\$546,942	\$ 10,058
EXPENDITURES:			
Planning Zoning	\$ 4,700	\$ 3,350	\$ 1,350
Inspections	19,500	16,545	2,955
Trustees	3,800	3,400	400
Township Board	25,150	22,354	2,796
Supervisor	7,900	7,922	(22)
Clerk	6,700	6,597	103
Board of Review	1,550	792	758
Treasurer	9,200	8,900	300
Health & Welfare	30,800	7,283	23,517
Elections	2,250	3,486	(1,236)
Hall & Grounds	33,500	32,661	839
Other General Gov't.	170,850	159,375	11,475
Cemetery	1,000	1,272	(272)
Assessor	14,000	12,015	1,985
Roads/Bridges	104,600	117,307	(12,707)
Fire Protection	114,000	39,013	74,987
Parks & Recreation	<u>7,500</u>	<u>5,346</u>	<u>2,154</u>
TOTAL EXPENDITURES	\$557,000	\$447,618	\$ 109,382

The accompanying notes are an integral
 part of the financial statements.

TOWNSHIP OF MAPLE GROVE
 COMBINED STATEMENT OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCES BUDGET (GAAP BASIS) AND ACTUAL
 GENERAL FUND TYPES (CONTINUED)
 MARCH 31, 2006

	<u>BUDGET</u>	<u>ACTUAL</u>	ACTUAL (OVER) UNDER <u>BUDGET</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	\$ -0-	\$ 99,991	\$ (99,991)
OTHER SOURCES (USES) OF FUNDS:			
Transfers In	\$ -0-	\$ -0-	\$ -0-
Transfers Out	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
EXCESS OF REVENUES (OVER) UNDER EXPENDITURES AND OTHER SOURCES (USES) OF FUNDS	\$ <u>-0-</u>	\$ 99,991	\$ <u>(99,991)</u>
Fund Balance April 1, 2005		<u>343,590</u>	
FUND BALANCE MARCH 31, 2006		<u>\$443,581</u>	

The accompanying notes are an integral
 part of the financial statements.

TOWNSHIP OF MAPLE GROVE
 COMBINED STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
 ALL AGENCY FUNDS
 FOR THE YEAR ENDED MARCH 31, 2006

	<u>BALANCE</u> <u>4-1-05</u>	<u>ADDITIONS</u>	<u>DEDUCTIONS</u>	<u>BALANCE</u> <u>3-31-06</u>
ASSETS:				
Cash	<u>\$2,327</u>	<u>\$1,799,799</u>	<u>\$1,798,473</u>	<u>\$3,653</u>
LIABILITIES:				
Due to Other Funds	<u>\$2,327</u>	<u>\$1,799,799</u>	<u>\$1,798,473</u>	<u>\$3,653</u>

The accompanying notes are an integral
 part of the financial statements.

TOWNSHIP OF MAPLE GROVE
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED MARCH 31, 2006

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of Township of Maple Grove conform to generally accepted accounting principles as applicable to governments. The following is a summary of the more significant policies:

FUND ACCOUNTING

The accounts of the Township are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, expenditures, or expenses, as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The various funds are grouped, in the financial statements in this report, into generic fund type and broad fund categories as follows:

GOVERNMENT FUNDS

General fund - The General Fund is the general operating fund of the Township. It is used to account for all financial resources except those required to be accounted for in another fund.

FIDUCIARY FUNDS

Trust and Agency Funds - Trust and Agency funds are used to account for assets held by the Township in a trustee capacity or as an agent for individuals, private organizations, other governments, and/or other funds. Agency Funds are custodial in nature (assets equal liabilities) and do not involve measure of results of operations.

FIXED ASSETS

The accounting and reporting treatment applied to the fixed assets associated with a fund are determined by its measurement focus. All governmental funds are accounted for on a spending or "financial flow" measurement focus. This means that only current assets and current liabilities are generally included on their balance sheets. Their reported fund balance (net current assets) is considered a measure of "available spendable resources". Governmental fund operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Accordingly, they are said to present a summary of sources and uses of "available spendable resources" during a period.

TOWNSHIP OF MAPLE GROVE
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED MARCH 31, 2006

NOTE A SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

FIXED ASSETS (CONTINUED)

Fixed assets used in governmental fund type operations (general fixed assets) are accounted for in the General Fixed Assets Group, rather than in governmental funds. Public Domain (infrastructure) general fixed assets consisting of certain improvements other than buildings, including roads, bridges, curbs and gutters, streets and sidewalks, drainage systems and lighting systems, are not capitalized with general fixed assets. No depreciation has been provided on general fixed assets.

All fixed assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated fixed assets are valued at their estimated fair value on the date donated.

The account groups is not a "fund". It is concerned only with the measurement of financial position. It is not involved with measurement of results of operations.

BASIS OF ACCOUNTING

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

All governmental funds are accounted for using the modified accrual basis of accounting. Their revenues are recognized when they become measurable and available as net current assets. Taxpayer-assessed income, gross receipts, and sales taxes are considered "measurable" when in the hands of intermediary collecting governments and are recognized as revenue at that time. Anticipated refunds of such taxes are recorded as liabilities and reductions of revenue when they are measurable and their validity seems certain.

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. Exceptions to this general rule include: (1) accumulated unpaid vacation, sick pay and other employee amounts which are not accrued; and (2) principal and interest on general long-term debt which is recognized when due.

TOWNSHIP OF MAPLE GROVE
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED MARCH 31, 2006

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

BUDGETS AND BUDGETARY ACCOUNTING

The Township follows these procedures in establishing the budgetary data reflected in the financial statements:

1. Prior to the beginning of the fiscal year, the clerk submits to the Township Board a proposed operating budget for the fiscal year commencing the following April 1. The operating budget includes proposed expenditures and the means of financing them.
2. Public hearings are conducted in the Township to obtain taxpayer comments.
3. Prior to April 1, the budget is legally enacted through board approval.
4. The clerk is authorized to transfer budgeted amounts between departments within any funds; however, any revisions that alter the total expenditures of any fund must be approved by the Township Board.
5. The Township had amended the budget during the year.

CASH AND INVESTMENTS

Cash includes amounts in demand deposits. State statutes authorize the Township to invest in obligations of the U.S. Treasury, Commercial paper, corporate bonds and repurchase agreements.

Investments are stated at cost or amortized cost.

SHORT-TERM INTERFUND RECEIVABLES/PAYABLES

During the course of operations, transactions occur between funds for goods provided or services rendered. These receivables and payables are classified as "due from other funds" or "due to other funds" on the balance sheet.

ENCUMBRANCES

Encumbrances represent commitments related to unperformed contracts for goods or services. Encumbrances accounting-under which purchase orders, contracts, and other commitments for the expenditure or resources are recorded to reserve that portion of the applicable appropriation is utilized in the government fund types. Encumbrances outstanding at year end are reported as a reservation of fund balances and do not constitute expenditures or liabilities because the commitments will be honored during the subsequent year. There were no significant encumbrances at year end.

TOWNSHIP OF MAPLE GROVE
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED MARCH 31, 2006

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

COMPENSATED ABSENCES

The Township does not pay sick or vacation time for its employees.

POST EMPLOYMENT HEALTH-CARE BENEFITS (COBRA BENEFITS)

Under the Consolidated Omnibus Budget Reconciliation Act (COBRA) the township makes health care benefits available to former employees and eligible dependents. Certain requirements are outlined by the federal government for this coverage. There are no participants in this program as of March 31, 2006.

RETIREE BENEFITS

The Township does not have health insurance coverage for its employees; therefore, there are no post-employment health care benefits.

INTERFUND TRANSACTIONS

Quasi-external transactions are accounted for as revenue or expenditures. Transactions that constitute reimbursement to a fund for expenditures initially made from it that are properly applicable to another fund are recorded as expenditures in the reimbursing fund as a reduction of expenditures in the fund that is reimbursed.

All other interfund transactions, except quasi-external transactions and reimbursements, are reported as transfers.

REVOLVING AND IMPROVEMENT FUND

The township maintains a revolving and improvement fund to account for money set aside by the township for future improvements of the township. The township deposits all interest earned on investments of this fund directly to the General Fund and is shown as interest income of that fund.

COMPARATIVE DATA

Comparative total data for the prior year have been presented in the accompanying financial statements in order to provide an understanding of changes in the townships financial position and operations. However, comparative data (i.e. presentation of prior year totals by fund type) data has not been presented in each of the statements since their inclusion would make the statements unduly complex and difficult to read.

USE OF ESTIMATES

Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses.

TOWNSHIP OF MAPLE GROVE
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED MARCH 31, 2006

NOTE B - REPORTING ENTITY

For financial reporting purposes, in conformance with NCGA Statement No. 3, Defining the Governmental Reporting Entity, the Township of Maple Grove includes all funds, account groups, agencies, boards, commissions and authorities that are controlled by or dependent on the Township's executive or legislative branches (the Township Supervisor or the Board, respectively). Control by or dependence on the Township was determined on the basis of budget adoption, taxing authority, outstanding debt secured by revenues or general obligations of the Township, obligations of the Township to finance any deficits that may occur, or receipt of significant subsidies from the Township.

Based on the foregoing criteria, there were no organizations that need to be included in the Township's annual report.

NOTE C - PROPERTY TAX

Taxes levied on December 1, are payable on February 14. The townships bills and collects its own property taxes and also taxes for the county and local school districts. Taxes levied on July 1, are payable on August 31. Collections of the county and school taxes and remittances of them are accounted for in the current tax collection fund. Township property taxes are recognized when levied to the extent that they result in current receivables.

The Township is permitted by the Municipal Finance Law of the state to levy taxes up to mill for general governmental services. .8759 mill is levied for general services. \$30 per developed parcel is levied for fire service.

The delinquent real property taxes of the township normally are purchased by the County of Saginaw. The county sells tax notes, the proceeds of which are used to pay the township for these delinquent taxes. These delinquent taxes have been recorded as revenue for the current year.

NOTE D - CHANGES IN GENERAL FIXED ASSETS

A schedule of changes in fixed assets is included in the individual financial statement section.

TOWNSHIP OF MAPLE GROVE
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED MARCH 31, 2006

NOTE E - EXCESS OF EXPENDITURES OVER APPROPRIATIONS IN BUDGETARY FUNDS

P.A. 621 of 1978, Section 18 (1) as amended, provides that a local unit shall not incur expenditures in excess of the amount appropriated.

In the body of the financial statements, the Township's actual expenditures and budgeted expenditures for the budgetary funds have been shown on a activity basis. The approved budgets of the Township for these budgetary funds were adopted to the activity level.

During the year ended March 31, 2006, the Township incurred expenditures in certain budgetary line items which were in excess of the amounts appropriated as follows:

	<u>TOTAL</u> <u>APPROPRIATIONS</u>	<u>AMOUNT OF</u> <u>EXPENDITURES</u>	<u>BUDGET</u> <u>VARIANCE</u>
Township Board:			
Office Supplies	\$ 1,000	\$ 1,173	\$ 173
Telephone	1,650	2,189	539
Office Supplies	1,000	1,173	173
Supervisor - Other	300	322	22
Fire Protection:			
Fuel	1,800	2,048	248
Telephone	1,400	1,973	573
Training	800	1,527	727
Insurance	600	814	214
Utilities	2,800	3,390	590
Repairs & Maintenance	2,500	3,249	749
Other	500	502	2
Inspections:			
Electrical	3,600	3,840	240
Mechanical	2,300	2,840	540
Plumbing	2,000	2,640	640
Clerk-Deputy Salary	-0-	700	700
Parks & Rec.- Supplies	1,450	2,261	811
Cemetery Supplies	350	622	272
Assessor Printing	1,500	2,301	801
Hall & Grounds- Utilities	7,000	7,788	788
Payroll Taxes	3,000	3,871	871
Roads & Bridges	104,600	117,307	12,707
Street Lights	2,800	2,941	141
Elections:			
Salaries	300	897	597
Supplies	1,950	1,978	28
Other	-0-	611	611

TOWNSHIP OF MAPLE GROVE
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED MARCH 31, 2006

NOTE F - CASH AND CERTIFICATES OF DEPOSIT

The Township deposits consist of various interest bearing savings and checking accounts. Michigan law does not require collateralization of government deposits.

The township's deposits at March 31, 2006 consisted of cash and certificates of deposit at one financial institution:

<u>INSTITUTION A</u>	<u>AMOUNT</u>	<u>FDIC INSURED</u>	<u>UNINSURED</u>
Cash	<u>\$403,716</u>	<u>\$100,000</u>	<u>\$303,716</u>

NOTE G - PENSION

The township maintains a discretionary pension plan for elected officials. The township contributed \$3,242 during the year ended March 31, 2006.

NOTE H - INTERFUND RECEIVABLES AND PAYABLES

The amount of interfund receivables and payables are as follows:

<u>FUND</u>	<u>INTERFUND RECEIVABLE</u>	<u>FUND</u>	<u>INTERFUND PAYABLE</u>
General	<u>\$ 3,653</u>	Tax Fund	<u>\$ 3,653</u>
	<u>\$ 3,653</u>		<u>\$ 3,653</u>

NOTE I - GASB 34

The Township has elected not to present management's discussion and analysis report and display the financial position and changes in financial position and changes in financial position of its business type activities as required by the Governmental Accounting Standards Board (GASB 34). Accounting principles generally accepted in the United States of America require the presentation of management's government-wide financial statements.

FINANCIAL STATEMENTS

OF

INDIVIDUAL FUNDS

GENERAL FUND

To account for resources traditionally associated with the governments which are not required to be accounted for in another fund.

TOWNSHIP OF MAPLE GROVE
COMPARATIVE BALANCE SHEET
MARCH 31, 2006 AND 2005

GENERAL FUND

ASSETS

	<u>2006</u>	<u>2005</u>
ASSETS:		
Cash in Bank	\$329,846	\$ -0-
Cash Equivalent	73,870	315,568
Accounts Receivable	2,240	1,340
Accounts Receivable - State	34,068	27,178
Taxes Receivable	17,801	17,496
Interest Receivable	3,051	-0-
Due from Other Funds	<u>3,653</u>	<u>2,327</u>
TOTAL ASSETS	<u>\$464,529</u>	<u>\$363,909</u>

LIABILITIES:

Accounts Payable	\$ 19,111	\$ 18,235
Payroll Taxes Due	<u>1,837</u>	<u>2,084</u>
	\$ 20,948	\$ 20,319

GENERAL FUND BALANCE	<u>443,581</u>	<u>343,590</u>
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TOTAL LIABILITIES AND GENERAL FUND BALANCE	<u>\$464,529</u>	<u>\$363,909</u>
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The accompanying notes are an integral
part of the financial statements.

TOWNSHIP OF MAPLE GROVE
COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
YEARS ENDED MARCH 31, 2006 AND 2005

GENERAL FUND

	<u>2006</u>		<u>2005</u>
		ACTUAL (OVER) UNDER BUDGET	
	<u>BUDGET</u>	<u>ACTUAL</u>	<u>ACTUAL</u>
REVENUES:			
Property Taxes	\$314,880	\$291,368	\$ 23,512
Miscellaneous	1,020	14,478	(13,458)
State Shared Rev.	175,000	182,133	(7,133)
Tax Admin. Fees	24,800	21,116	3,684
Interest Income	1,000	4,843	(3,843)
Rent Income	9,000	9,090	(90)
Cemetery	-0-	-0-	-0-
Cable TV	3,500	6,781	(3,281)
Permits	<u>27,800</u>	<u>17,800</u>	<u>10,000</u>
TOTAL REVENUES	\$557,000	\$547,609	\$ 9,391
EXPENDITURES:			
Twp. Board:			
Salaries	\$ 8,500	\$ 8,197	\$ 303
Telephone	1,650	2,189	(539)
Dues	2,500	2,423	77
Transportation	500	263	237
Printing & Publ.	2,000	1,533	467
Office Supplies	1,000	1,173	(173)
Worker's Comp.	3,500	3,242	258
Other	-0-	-0-	-0-
Pension	<u>5,500</u>	<u>3,334</u>	<u>2,166</u>
TOTAL TWP. BOARD	\$ 25,150	\$ 22,354	\$ 2,796
Supervisor:			
Salaries	\$ 7,300	\$ 7,300	\$ -0-
Summer Tax Coll.	300	300	-0-
Other	<u>300</u>	<u>322</u>	<u>(22)</u>
TOTAL SUPERVISOR	\$ 7,900	\$ 7,922	\$ (22)

The accompanying notes are an integral
part of the financial statements.

TOWNSHIP OF MAPLE GROVE
COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
YEARS ENDED MARCH 31, 2006 AND 2005

GENERAL FUND

	<u>2006</u>		<u>2005</u>	
	<u>BUDGET</u>	<u>ACTUAL</u>	ACTUAL (OVER) UNDER <u>BUDGET</u>	<u>ACTUAL</u>
EXPENDITURES:				
Clerk:				
Salaries	\$ 5,700	\$ 5,700	\$ -0-	\$ 5,700
Deputy	-0-	700	(700)	-0-
Pension	700	-0-	700	-0-
Other	<u>300</u>	<u>197</u>	<u>103</u>	<u>112</u>
TOTAL CLERK	\$ 6,700	\$ 6,597	\$ 103	\$ 5,812
Trustees:				
Salaries	\$ 3,400	\$ 3,400	\$ -0-	\$ 3,400
Other	<u>400</u>	<u>-0-</u>	<u>400</u>	<u>185</u>
TOTAL TRUSTEES	\$ 3,800	\$ 3,400	\$ 400	\$ 3,585
Treasurer:				
Salaries	\$ 5,700	\$ 5,700	\$ -0-	\$ 5,700
Deputy Treasurer	700	700	-0-	700
Summer Tax Collection	2,500	2,500	-0-	2,500
Other	<u>300</u>	<u>-0-</u>	<u>300</u>	<u>87</u>
TOTAL TREASURER	\$ 9,200	\$ 8,900	\$ 300	\$ 8,987
Assessor:				
Salaries	\$ 7,000	\$ 6,900	\$ 100	\$ 6,600
Tax Roll Costs	5,500	2,814	2,686	5,359
Printing	<u>1,500</u>	<u>2,301</u>	<u>(801)</u>	<u>1,487</u>
TOTAL ASSESSOR	\$ 14,000	\$ 12,015	\$ 1,985	\$ 13,446
Board of Review:				
Salaries	\$ 750	\$ 621	\$ 129	\$ 621
Other	<u>800</u>	<u>171</u>	<u>629</u>	<u>735</u>
TOTAL BOARD OF REVIEW	\$ 1,550	\$ 792	\$ 758	\$ 1,356
Elections:				
Salaries	\$ 300	\$ 897	\$ (597)	\$ 1,894
Supplies	1,950	1,978	(28)	983
Other	<u>-0-</u>	<u>611</u>	<u>(611)</u>	<u>-0-</u>
TOTAL ELECTIONS	\$ 2,250	\$ 3,486	\$ (1,236)	\$ 2,877

The accompanying notes are an integral part of the financial statements.

TOWNSHIP OF MAPLE GROVE
COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
YEAR ENDED MARCH 31, 2006 AND 2005

GENERAL FUND

	<u>2006</u>		<u>2005</u>	
			ACTUAL (OVER) UNDER	
	<u>BUDGET</u>	<u>ACTUAL</u>	<u>BUDGET</u>	<u>ACTUAL</u>
EXPENDITURES:				
Hall & Grounds:				
Supplies	\$ 1,000	\$ 434	\$ 566	\$ 657
Custodial Services	2,500	2,500	-0-	2,500
Utilities	7,000	7,788	(788)	6,901
Repairs & Maint.	<u>23,000</u>	<u>21,939</u>	<u>1,061</u>	<u>6,571</u>
TOTAL HALL & GROUNDS	\$ 33,500	\$ 32,661	\$ 839	\$ 16,629
Other General Gov't:				
Payroll Taxes	\$ 3,000	\$ 3,871	\$ (871)	\$ 3,316
Audit	3,000	2,750	250	2,964
Insurance	30,550	30,503	47	28,757
Attorney	2,000	100	1,900	1,615
Street Lights	2,800	2,941	(141)	1,701
Refuse Collection	105,000	101,699	3,301	100,748
Drain Maintenance	1,000	-0-	1,000	413
Other Lighting	-0-	-0-	-0-	979
Township Office	2,500	2,411	89	-0-
Public Safety/Police	16,000	15,100	900	14,660
Drains at Large	<u>5,000</u>	<u>-0-</u>	<u>5,000</u>	<u>25,027</u>
TOTAL OTHER GEN. GOV'T.	\$170,850	\$159,375	\$11,475	\$180,180
Fire Protection:				
Salary Chief	\$ 1,700	\$ 1,700	\$ -0-	\$ 1,700
Salary Deputy	1,800	1,800	-0-	1,800
Supplies	2,000	1,216	784	752
Fuel	1,800	2,048	(248)	1,298
Fire Run Fees	3,000	3,000	-0-	3,000
Telephone	1,400	1,973	(573)	1,087
Communications	5,000	4,226	774	5,153
Training	800	1,527	(727)	1,845
Insurance	600	814	(214)	540
Utilities	2,800	3,390	(590)	2,857
Repairs & Maintenance	2,500	3,249	(749)	3,250
Capital Outlay	16,100	13,568	2,532	1,770
Capital Outlay - Fire				
Truck	74,000	-0-	74,000	-0-
Other	<u>500</u>	<u>502</u>	<u>(2)</u>	<u>500</u>
TOTAL FIRE PROTECTION	\$114,000	\$ 39,013	\$74,987	\$ 25,552

The accompanying notes are an integral part of the financial statements.

TOWNSHIP OF MAPLE GROVE
COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
YEAR ENDED MARCH 31, 2006 AND 2005

GENERAL FUND

	<u>2006</u>		<u>2005</u>
		UNDER (OVER) UNDER	
	<u>BUDGET</u>	<u>ACTUAL</u>	<u>BUDGET</u> <u>ACTUAL</u>
EXPENDITURES:			
Inspections:			
Permit Refunds	\$ 4,000	\$ -0-	\$ 4,000 \$ -0-
Other	600	570	30 -0-
Building	6,400	6,280	120 6,360
Electrical	3,600	3,840	(240) 3,440
Mechanical	2,300	2,840	(540) 2,145
Plumbing	2,000	2,640	(640) 1,600
Septic	<u>600</u>	<u>375</u>	<u>225</u> <u>525</u>
TOTAL INSPECTIONS	\$ 19,500	\$ 16,545	\$ 2,955 \$ 14,070
Planning/Zoning:			
Planning Commission	\$ 1,200	\$ 520	\$ 680 \$ 600
Zoning Administrator	1,200	1,200	-0- 1,200
Plan Review/Land Div.	1,700	1,550	150 1,220
Other	500	16	484 99
Board of Appeals	<u>100</u>	<u>64</u>	<u>36</u> <u>240</u>
TOTAL PLANNING/ZONING	\$ 4,700	\$ 3,350	\$ 1,350 \$ 3,359
Parks & Recreation:			
Contract Services	\$ 2,600	\$ 2,180	\$ 420 \$ 2,485
Park Manager	3,200	700	2,500 700
Utilities	250	205	45 200
Supplies	<u>1,450</u>	<u>2,261</u>	<u>(811)</u> <u>579</u>
TOTAL PARKS & RECREATION	\$ 7,500	\$ 5,346	\$ 2,154 \$ 3,964
Library Capital Outlay	\$ -0-	\$ -0-	\$ -0- \$ 850
Cemetery:			
Salaries	\$ 650	\$ 650	\$ -0- \$ 650
Supplies	<u>350</u>	<u>622</u>	<u>(272)</u> <u>91</u>
TOTAL CEMETERY	\$ 1,000	\$ 1,272	\$ (272) \$ 741

The accompanying notes are an integral part of the financial statements.

TOWNSHIP OF MAPLE GROVE
COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE (CONTINUED)
YEAR ENDED MARCH 31, 2006 AND 2005

GENERAL FUND				
	<u>2006</u>		<u>2005</u>	
	<u>BUDGET</u>	<u>ACTUAL</u>	ACTUAL (OVER) UNDER <u>BUDGET</u>	<u>ACTUAL</u>
EXPENDITURES:				
Health & Welfare:				
Health Clinic	\$ 800	\$ 682	\$ 118	\$ 800
Ambulance	<u>30,000</u>	<u>6,601</u>	<u>23,399</u>	<u>5,838</u>
TOTAL HEALTH & WELFARE	\$ 30,800	\$ 7,283	\$ 23,517	\$ 6,638
Roads & Bridges	<u>\$104,600</u>	<u>\$117,307</u>	<u>\$ (12,707)</u>	<u>\$ 41,700</u>
TOTAL EXPENDITURES	<u>\$557,000</u>	<u>\$447,618</u>	<u>\$109,382</u>	<u>\$360,058</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	\$ -0-	\$ 99,991	\$ (99,991)	\$178,090
OTHER SOURCES (USES) OF FUNDS:				
Transfers In	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Transfers Out	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES AND OTHER SOURCES (USES)	\$ <u>-0-</u>	\$ 99,991	\$ <u>(99,991)</u>	\$178,090
Fund Balance April 1,		<u>343,590</u>		<u>165,500</u>
FUND BALANCE MARCH 31,		<u>\$443,581</u>		<u>\$343,590</u>

The accompanying notes are an integral
part of the financial statements.

FIDUCIARY FUND

CURRENT TAX COLLECTION FUND

Current Tax Collection Fund is used to receive the Township's current tax collections and to distribute such monies to the Township funds involved therein, and to other governmental agencies.

TOWNSHIP OF MAPLE GROVE
CURRENT TAX COLLECTION FUND
COMPARATIVE BALANCE SHEET
MARCH 31, 2006 AND 2005

	<u>2006</u>	<u>2005</u>
ASSETS:		
Cash in Bank	<u>\$3,653</u>	<u>\$2,327</u>
	<u>\$3,653</u>	<u>\$2,327</u>
LIABILITIES:		
Due to Other Funds	<u>\$3,653</u>	<u>\$2,327</u>
TOTAL LIABILITIES	<u>\$3,653</u>	<u>\$2,327</u>
FUND BALANCE	<u>\$ -0-</u>	<u>\$ -0-</u>
	<u>\$3,653</u>	<u>\$2,327</u>

The accompanying notes are an integral
part of the financial statements.

TOWNSHIP OF MAPLE GROVE
CURRENT TAX COLLECTION FUND
COMPARATIVE STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
YEARS ENDED MARCH 31, 2006 AND 2005

	<u>2006</u>	<u>2005</u>
BALANCE APRIL 1,	\$ 2,327	\$ 1,195
RECEIPTS:		
Interest	\$ 107	\$ -0-
Drains at Large	522	-0-
Delinquents Collected	1,680	868
Current Property Taxes	1,773,014	1,960,692
Collection Fees and Late Charges	18,769	18,739
Dog Licenses	204	260
Overpayments	<u>5,503</u>	<u>4,736</u>
TOTAL RECEIPTS & BEGINNING BALANCE	\$1,802,126	\$1,986,490
DISBURSEMENTS:		
Chesaning Schools	\$ 53,730	\$ 64,996
Delta College	127,452	116,016
General Fund	309,043	289,660
Genesee County Schools	8,094	822
Montrose Schools	18,249	23,260
New Lothrop Schools	181,365	598,164
Refunds	5,503	4,736
Saginaw County	847,580	506,512
Saginaw County Schools	16,102	1,517
Shiawassee County Schools	206,155	-0-
State Education	-0-	355,106
Twin Township Ambulance	<u>25,200</u>	<u>23,374</u>
TOTAL DISBURSEMENTS	\$1,798,473	\$1,984,163
BALANCE MARCH 31,	\$ <u><u>3,653</u></u>	\$ <u><u>2,327</u></u>

The accompanying notes are an integral part of the financial statements.

GENERAL FIXED ASSET ACCOUNT GROUP

To account for fixed assets of the
Township

TOWNSHIP OF MAPLE GROVE
 GENERAL FIXED ASSETS GROUP OF ACCOUNTS
 SCHEDULE OF CHANGES IN GENERAL FIXED ASSETS
 MARCH 31, 2006 TO MARCH 31, 2005

	<u>BALANCE</u> <u>3-31-05</u>	<u>ADDITIONS</u>	<u>DELETIONS</u>	<u>BALANCE</u> <u>3-31-06</u>
Land	\$ 25,780	\$ -0-	\$ -0-	\$ 25,780
Buildings	324,995	-0-	-0-	324,995
Vehicles	289,631	-0-	-0-	289,631
Other Equipment	<u>163,522</u>	<u>31,266</u>	<u>5,084</u>	<u>189,704</u>
	<u>\$803,928</u>	<u>\$31,266</u>	<u>\$ 5,084</u>	<u>\$830,110</u>

The accompanying notes are an integral
 part of the financial statements.



DEMIS and WENZLICK, P.C.

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Gail Winnick, C.P.A.

June 13, 2006

Members of the Township Board
Township of Maple Grove
Saginaw County, MI

In compliance with the provisions of Section 11, Paragraph 2, of Act 2, Public Acts of 1968, we wish to render our report of comments and recommendations which were formulated as a result of the examination our firm performed on the financial statements of the Township of Maple Grove for the year then ended March 31, 2006.

BUDGET

The Michigan Public Act 621 of 1978, includes compliance requirements in budgeting. Total expenditures cannot exceed total budgeted revenues plus beginning fund balance. Expenditures should be reviewed periodically and the budget amended before incurring any expense which would exceed the budgeted amounts.

GENERAL LEDGER

The Township needs to maintain a General Ledger that details what makes up account balances. The current software, QuickBooks, could be used to accomplish this

BANK RECONCILIATIONS

Bank reconciliations should be performed monthly and attached to the bank statements or otherwise kept in files.

EXPENDITURES

The Township currently pays the Maple Grove Fire Department an annual \$3,000 per diem. This may be an unauthorized use of funds. Please check into the appropriateness of this expense with the State of Michigan Local Audit Unit at (517)-373-3227.

We wish to thank the council for the excellent cooperation we received in performing the Village audit. If we can be of any further assistance to the Village on these matters or any future matters, please do not hesitate to contact us.

Sincerely yours,

Demis and Wenzlick, PC

Certified Public Accountants